



AUDITOR GENERAL
WILLIAM O. MONROE, CPA



LAFAYETTE COUNTY DISTRICT SCHOOL BOARD
FLORIDA EDUCATION FINANCE PROGRAM (FEFP)
Full-Time Equivalent (FTE) Students and Student Transportation

For the Fiscal Year Ended June 30, 2004

The governing body of the District is the District School Board, which is composed of five elected members. The executive officer of the Board is the elected Superintendent of Schools. The Board members and Superintendent of Schools who served during the examination period were: Robert D. Koon, Chairman; Johnny L. Reid, Vice-Chairman to 11-17-03; Robert A. Hart; Henry J. McCray; Carolyn S. Land, Vice-Chairman from 11-18-03; and Fredric W. Ward, Superintendent.

This examination was conducted by Jennifer Taylor, CPA, and supervised by J. David Hughes, CPA. Please address inquiries regarding this report to Joe Williams, Audit Manager, via e-mail at joewilliams@aud.state.fl.us or by telephone at (850) 414-9941.

This report, as well as other audit reports prepared by the Auditor General, can be obtained on our Web site (<http://www.state.fl.us/audgen>); by telephone at (850) 487-9024; or by mail at G74 Claude Pepper Building, 111 West Madison Street, Tallahassee, Florida 32399-1450.

Lafayette County District School Board
 Florida Education Finance Program (FEFP)
FULL-TIME EQUIVALENT (FTE) STUDENTS AND STUDENT TRANSPORTATION
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 For the Fiscal Year Ended June 30, 2004

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The President of the Senate, the Speaker of the
House of Representatives, and the
Legislative Auditing Committee

INDEPENDENT AUDITOR'S REPORT LAFAYETTE COUNTY DISTRICT SCHOOL BOARD FLORIDA EDUCATION FINANCE PROGRAM (FEFP) FULL-TIME EQUIVALENT (FTE) STUDENTS

We have examined management's assertion, included in its representation letter dated July 1, 2004, that the Lafayette County District School Board complied with the requirements of the Florida Education Finance Program (FEFP) regarding the determination and reporting of the number of full-time equivalent (FTE) students for the fiscal year ended June 30, 2004. These requirements are found primarily in Chapter 1011, Florida Statutes, and State Board of Education Rules, Chapter 6A-1, Florida Administrative Code, and secondarily in Chapters 1000 through 1010, 1012, and 1013, Florida Statutes, and State Board of Education Rules, Chapters 6A-4 and 6A-6, Florida Administrative Code. As discussed in the representation letter, management is responsible for the District's compliance with those statutes and rules. Our responsibility is to express an opinion on the District's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and the standards applicable to attestation engagements contained in *Government Auditing Standards* issued by the Comptroller General of the United States and, accordingly, included examining, on a test basis, evidence about the District's compliance with the aforementioned FEFP requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. The legal determination of the District's compliance with FEFP requirements is, however, ultimately the responsibility of the Department of Education.

Our examination procedures disclosed the following instances of material noncompliance involving teachers: six of the 20 teachers in our sample did not meet applicable provisions of Florida Statutes or State Board of Education Rules regarding qualified instructional personnel; School Board approval of out-of-field teacher

assignments; or notification of parents regarding out-of-field teachers. (See SCHEDULE D, finding nos. 2, 5, 6, 7, and 11.)

In our opinion, except for the instances of material noncompliance mentioned above involving teachers, the Lafayette County District School Board complied, in all material respects, with the aforementioned requirements of the Florida Education Finance Program (FEFP) regarding the determination and reporting of the number of full-time equivalent (FTE) students for the fiscal year ended June 30, 2004.

The results of our examination disclosed other instances of noncompliance with the aforementioned FEFP requirements, in addition to those mentioned above involving teachers. We considered these other instances of noncompliance in forming our opinion regarding management's assertion and these items did not affect our opinion as stated above. All of the instances of noncompliance disclosed by our examination procedures are discussed in SCHEDULE D. The impact of those instances of noncompliance on the District's reported number of full-time equivalent (FTE) students is presented in SCHEDULE A, SCHEDULE B, SCHEDULE C, and SCHEDULE D.

In accordance with *Government Auditing Standards*, we are required to report deficiencies in internal control that are material to management's assertion. The instances of material noncompliance mentioned above, and identified by finding number, are indicative of such deficiencies in the District's internal controls related to teacher assignments. The relevant populations, samples, and exception totals that pertain to teachers are presented in SCHEDULE A herein. We performed our examination to express an opinion on the District's compliance with the FEFP requirements previously mentioned and not for the purpose of expressing an opinion on the District's related internal controls; accordingly, we express no such opinion.

This report is intended for the information of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the State Board of Education, the Department of Education, and the Lafayette County District School Board. Copies of this report are available pursuant to Section 11.45(4)(c), Florida Statutes, and its distribution is not limited.

Respectfully submitted,



William O. Monroe, CPA
May 13, 2005

SCHEDULE A

Lafayette County District School Board
 Florida Education Finance Program (FEFP)
FULL-TIME EQUIVALENT (FTE) STUDENTS
POPULATIONS, SAMPLES, AND AUDIT ADJUSTMENTS
 For the Fiscal Year Ended June 30, 2004

<u>Description¹</u>	<u>Number of Schools</u>	<u>% of Pop.</u>	<u>Number of Students</u>	<u>% of Pop. (Sample)</u>	<u>Number of Unweighted FTE²</u>	<u>% of Pop. (Sample)</u>
1. Basic						
Population ³	3	100.00%	908	100.00%	795.9200	100.00%
Sample Size ⁴	2	66.67%	46	5.07%	42.3026	5.31%
Net Audit Adjustments ⁵	-	-	(0)	(0.00%)	.2892	-
2. English for Speakers of Other Languages (ESOL)						
Population ³	2	100.00%	27	100.00%	21.2400	100.00%
Sample Size ⁴	2	100.00%	13	48.15%	9.9298	46.75%
Net Audit Adjustments ⁵	-	-	(2)	(15.38%)	(.4392)	-
3. Exceptional - Basic with ESE Services						
Population ³	2	100.00%	161	100.00%	135.3400	100.00%
Sample Size ⁴	2	100.00%	20	12.42%	16.4000	12.12%
Net Audit Adjustments ⁵	-	-	(2)	(10.00%)	.3316	-
4. Exceptional - ESE Support Levels 4 and 5						
Population ³	2	100.00%	7	100.00%	5.2400	100.00%
Sample Size ⁴	2	100.00%	7	100.00%	5.2400	100.00%
Net Audit Adjustments ⁵	-	-	(1)	(14.29%)	.0000	-
5. Vocational 9-12						
Population ³	1	100.00%	38	100.00%	65.7900	100.00%
Sample Size ⁴	1	100.00%	12	31.58%	2.8855	4.39%
Net Audit Adjustments ⁵	-	-	(2)	(16.67%)	(.3416)	-

All Programs						
Population ³	3	100.00%	1,141	100.00%	1,023.5300	100.00%
Sample Size ⁴	2	66.67%	98	8.59%	76.7579	7.50%
Net Audit Adjustments ⁵	-	-	(7)	(7.14%)	(.1600)	-

The accompanying notes are an integral part of this schedule.

SCHEDULE A (Continued)

Lafayette County District School Board
 Florida Education Finance Program (FEFP)
**FULL-TIME EQUIVALENT (FTE) STUDENTS
 POPULATIONS, SAMPLES, AND AUDIT ADJUSTMENTS**
 For the Fiscal Year Ended June 30, 2004

Description¹	Number of Schools	% of Pop.	Number of Teachers	% of Pop. (Sample)	Number of Unweighted FTE²
Teacher Certification					
Population	3	100.00%	47	100.00%	-
Sample Size ⁴	2	66.67%	20	42.55%	-
Net Audit Adjustments ⁵	-	-	6	(30.00%)	-
Basic	-	-	-	-	3.5871
ESOL	-	-	-	-	(1.4136)
Basic with ESE Services	-	-	-	-	(2.1735)
					<u>(.0000)</u>
Ineligible ESOL Course (Finding No. 1)					
Net Audit Adjustments ⁵					
Basic	-	-			.4668
ESOL	-	-			(.4668)
					<u>.0000</u>
Net Audit Adjustments					<u>(.1600)</u>

¹ See NOTE A6.

² Unweighted full-time equivalent (FTE) students represents FTE prior to the application of the applicable cost factor for each program. (See SCHEDULE B and NOTE A4.)

³ The population shown for the number of schools is the total number of schools in the District which offered the courses in the program specified (i.e., Basic, English for Speakers of Other Languages (ESOL), Exceptional, and Vocational). The population shown for the number of students is the total number of students in each program at the schools in our sample. Our Vocational sample was limited to only those students who participated in on-the-job-training (OJT). The population shown for full-time equivalent (FTE) students is the total FTE for all of the District's schools (sample schools plus nonsample schools) as reported for each survey conducted for the fiscal year ended June 30, 2004. The population shown for teachers is the total number of teachers at the schools in our sample who taught Exceptional education or Vocational education or taught courses to Limited English Proficient (LEP) students. (See NOTE A5.)

⁴ See NOTE B.

⁵ Our audit adjustments generally reclassify reported FTE to Basic education for all exceptions except for those involving a student's attendance or enrollment (the audit adjustments for which take the reported FTE to zero).

The accompanying notes are an integral part of this schedule.

SCHEDULE B

Lafayette County District School Board
 Florida Education Finance Program (FEFP)
FULL-TIME EQUIVALENT (FTE) STUDENTS
EFFECT OF AUDIT ADJUSTMENTS ON WEIGHTED FTE
(For Illustrative Purposes Only)
 For the Fiscal Year Ended June 30, 2004

<u>No. Program</u> ¹	<u>Net Audit Adjustment</u> ²	<u>Cost Factor</u>	<u>Weighted FTE</u> ³
101 Basic K-3	.5000	1.002	.5010
102 Basic 4-8	.1360	1.000	.1360
103 Basic 9-12	3.7071	1.140	4.2261
111 Grades K-3 with ESE Services	(.0100)	1.002	(.0100)
113 Grades 9-12 with ESE Services	(1.8319)	1.140	(2.0884)
130 ESOL	(2.3196)	1.298	(3.0108)
254 ESE Support Level 4	1.0000	3.948	3.9480
255 ESE Support Level 5	(1.0000)	5.591	(5.5910)
300 Vocational 9-12	<u>(.3416)</u>	1.190	<u>(.4065)</u>
Total	<u>(.1600)</u>		<u>(2.2956)</u>

¹ See NOTE A6.

² These adjustments are for unweighted FTE. (See SCHEDULE C.)

³ Weighted FTE adjustments are presented for illustrative purposes only; they do not take special program caps or allocation factors into consideration and are not intended to indicate the FTE used to compute the dollar value of audit adjustments. That computation is the responsibility of the Department of Education. (See NOTE A4.)

The accompanying notes are an integral part of this schedule.

SCHEDULE C

Lafayette County District School Board
 Florida Education Finance Program (FEFP)
FULL-TIME EQUIVALENT (FTE) STUDENTS
AUDIT ADJUSTMENTS BY SCHOOL
 For the Fiscal Year Ended June 30, 2004

<u>No. Program</u>	<u>Ineligible ESOL Course</u>	<u>Audit Adjustments¹</u>		<u>Total</u>
		<u>#0021</u>	<u>#0022</u>	
101 Basic K-3	.....	.....	.5000	.5000
102 Basic 4-8	.....	(.0608)	.1968	.1360
103 Basic 9-12	.4668	3.2403	.....	3.7071
111 Grades K-3 with ESE Services	.....	.....	(.0100)	(.0100)
113 Grades 9-12 with ESE Services	.....	(1.8319)	.....	(1.8319)
130 ESOL	(.4668)	(1.1560)	(.6968)	(2.3196)
254 ESE Support Level 4	.....	.....	1.0000	1.0000
255 ESE Support Level 5	.....	.....	(1.0000)	(1.0000)
300 Vocational 9-12	.....	(.3416)	.....	(.3416)
Total	<u>.0000</u>	<u>(.1500)</u>	<u>(.0100)</u>	<u>(.1600)</u>

¹ These adjustments are for unweighted FTE. (See NOTE A4.)

The accompanying notes are an integral part of this schedule.

SCHEDULE D

Lafayette County District School Board
 Florida Education Finance Program (FEFP)
FULL-TIME EQUIVALENT (FTE) STUDENTS
FINDINGS AND AUDIT ADJUSTMENTS
 For the Fiscal Year Ended June 30, 2004

Overview

The management of the Lafayette County District School Board is responsible for determining and reporting the number of full-time equivalent (FTE) students in compliance with requirements of the Florida Education Finance Program (FEFP). These requirements are found primarily in Chapter 1011, Florida Statutes, and State Board of Education Rules, Chapter 6A-1, Florida Administrative Code, and secondarily in Chapters 1000 through 1010, 1012, and 1013, Florida Statutes, and State Board of Education Rules, Chapters 6A-4 and 6A-6, Florida Administrative Code. In our opinion, except for instances of material noncompliance involving teachers, the District complied, in all material respects, with the aforementioned requirements for the fiscal year ended June 30, 2004. The instances of noncompliance disclosed by examination procedures require management's attention and action, as recommended on page 12.

Findings

**Net Audit
 Adjustment
 (Unweighted FTE)**

Ineligible ESOL Course

1. [Ref. 2199] Our examination procedures include an automated test to compare the course numbers reported in the English for Speakers of Other Languages (ESOL) program to the course numbers that have been designated for that program by the Department of Education. The results of this test disclosed that one Basic subject area course involving one school in the October and February surveys was reported incorrectly in ESOL. Pursuant to Section 1003.56, Florida Statutes, ESOL-reporting is permitted for courses in the Basic subject areas of Reading, Mathematics, Science, Social Studies, or Computer Literacy. We made the following audit adjustments to reduce the courses and students involved to Basic funding:

103 Basic 9-12	.4668	
130 ESOL	(.4668)	<u>.0000</u>
		<u>.0000</u>

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

Lafayette County District School Board
 Florida Education Finance Program (FEFP)
FULL-TIME EQUIVALENT (FTE) STUDENTS
FINDINGS AND AUDIT ADJUSTMENTS
 For the Fiscal Year Ended June 30, 2004

**Net Audit
 Adjustment
 (Unweighted FTE)**

Findings

Lafayette High School (#0021)

2. [Ref. 2170] One teacher was not properly certified and was not approved by the School Board to teach out-of-field during the school terms covered by the October and February surveys. The teacher was certified in Social Science, but taught courses that required certification in English and Math. We also noted that the parents of the students taught by this out-of-field teacher were not notified of the teacher's out-of-field status. Since the students were reported in Basic education courses, no audit adjustments were necessary.

.0000

3. [Ref. 2101] The course schedules for three students (two in the October survey and one in the February survey) were reported incorrectly. One student's schedule included a Basic course that was funded before the student's English for Speakers of Other Languages (ESOL) courses. The remaining two students were in Exceptional education; however, their schedules listed some courses in Vocational education rather than in Exceptional education. We made the following audit adjustments:

102 Basic 4-8	(.0608)	
113 Grades 9-12 with ESE Services	.3416	
130 ESOL	.0608	
300 Vocational 9-12	(.3416)	.0000

4. [Ref. 2102] The attendance records for one student in the February survey were missing and could not be located; consequently, the student should not have been reported with the survey's results. We made the following audit adjustment:

103 Basic 9-12	(.1500)	(.1500)
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The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

Lafayette County District School Board
 Florida Education Finance Program (FEFP)
FULL-TIME EQUIVALENT (FTE) STUDENTS
FINDINGS AND AUDIT ADJUSTMENTS
 For the Fiscal Year Ended June 30, 2004

**Net Audit
 Adjustment
 (Unweighted FTE)**

Findings

Lafayette High School (#0021) (Continued)

5. [Ref. 2171] One teacher taught Language Arts to classes which included two Limited English Proficient (LEP) students during the school term covered by the February survey; however, the teacher was not properly certified to teach LEP students and was not approved by the School Board to teach such students out-of-field. We also noted that the parents of the students taught by this teacher were not appropriately notified of the teacher's out-of-field status. We made the following audit adjustments:

103 Basic 9-12	.3000	
130 ESOL	<u>(.3000)</u>	.0000

6. [Ref. 2172/73] Two teachers were not properly certified and were not approved by the School Board to teach out-of-field during the school term covered by the February survey. One teacher was certified in Elementary Education, but taught courses that required certification in Music. The other teacher was certified in Biology and Health, but taught courses that required certification in Physical Science. We also noted that the parents of the students taught by these teachers were not notified of their out-of-field status. We made the following audit adjustments:

<u>Ref. 2172</u>		
103 Basic 9-12	.7209	
113 Grades 9-12 with ESE Services	<u>(.7209)</u>	.0000
<u>Ref. 2173</u>		
103 Basic 9-12	.4668	
113 Grades 9-12 with ESE Services	<u>(.4668)</u>	.0000

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

Lafayette County District School Board
 Florida Education Finance Program (FEFP)
FULL-TIME EQUIVALENT (FTE) STUDENTS
FINDINGS AND AUDIT ADJUSTMENTS
 For the Fiscal Year Ended June 30, 2004

<u>Findings</u>	Net Audit Adjustment (Unweighted FTE)
<u>Lafayette High School (#0021)</u> (Continued)	
7. [Ref. 2174] <u>The parents of the students taught by one out-of-field teacher who taught during the school terms covered by the October and February surveys were not notified of the teacher's out-of-field status. We made the following audit adjustments:</u>	
103 Basic 9-12	1.9026
113 Grades 9-12 with ESE Services	(.9858)
130 ESOL	(.9168)
	<u>.0000</u>
	<u>(.1500)</u>
<u>Lafayette Elementary School (#0022)</u>	
8. [Ref. 2201] <u>One student was reported incorrectly in the English for Speakers of Other Languages (ESOL) program during the October survey. The student had been dismissed from ESOL prior to that survey. We made the following audit adjustments:</u>	
101 Basic K-3	.5000
130 ESOL	(.5000)
	.0000
9. [Ref. 2202] <u>One Exceptional student was reported incorrectly in Speech Therapy for three days per week (for a total of 90 Class Minutes, Weekly (CMW) or .0300 FTE) during the October survey. The student's Individual Educational Plan (IEP) and the Speech Therapist's contact log documented that therapy was provided to the student two days per week (or a total of 60 CMW or .0200 FTE). We made the following audit adjustment:</u>	
111 Grades K-3 with ESE Services	(.0100)
	(.0100)

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

Lafayette County District School Board
 Florida Education Finance Program (FEFP)
FULL-TIME EQUIVALENT (FTE) STUDENTS
FINDINGS AND AUDIT ADJUSTMENTS
 For the Fiscal Year Ended June 30, 2004

Findings

**Net Audit
 Adjustment
 (Unweighted FTE)**

Lafayette Elementary School (#0022) (Continued)

10. [Ref. 2203] One Exceptional student in the October and February surveys was not reported in accordance with the student's Matrix of Services form. We made the following audit adjustments:

254 ESE Support Level 4	1.0000	
255 ESE Support Level 5	<u>(1.0000)</u>	.0000

11. [Ref. 2270] One teacher taught Primary Language Arts to a class which included two Limited English Proficient (LEP) students during the school term covered by the February survey; however, the teacher was not properly certified to teach LEP students and was not approved by the School Board to teach such students out-of-field. We also noted that the parents of the students taught by this out-of-field teacher were not notified of the teacher's out-of-field status. We made the following audit adjustments:

102 Basic 4-8	.1968	
130 ESOL	<u>(.1968)</u>	<u>.0000</u>
		<u>(.0100)</u>
		<u>(.1600)</u>

The accompanying notes are an integral part of this schedule.

SCHEDULE E

Lafayette County District School Board
 Florida Education Finance Program (FEFP)
FULL-TIME EQUIVALENT (FTE) STUDENTS
RECOMMENDATIONS AND REGULATORY CITATIONS
 For the Fiscal Year Ended June 30, 2004

Recommendations

We recommend that management exercise more care and take corrective action, as appropriate, to ensure that: (1) teachers are appropriately certified or approved to teach out-of-field and parents are notified of a teacher’s out-of-field assignment; and (2) adequate documentation is retained to support the FTE-reporting for all students.

The absence of statements in this report regarding practices and procedures followed by the District should not be construed as acceptance, approval, or endorsement of those practices and procedures. Additionally, the specific nature of this report does not limit or lessen the District's obligation to comply with all of the statutory and rule provisions governing the Florida Education Finance Program (FEFP).

Regulatory Citations

Reporting

- Section 1011.60, F.S. Minimum Requirements of Florida Education Finance Program (FEFP)
- Section 1011.61, F.S. Definitions
- Section 1011.62, F.S. Funds for Operation of Schools
- Rule 6A-1.0451, F.A.C. FEFP Student Membership Surveys
- Rule 6A-1.04513, F.A.C. Maintaining Auditable FTE Records
- FTE General Instructions 2003-2004

Attendance

- Section 1003.23, F.S. Attendance Records and Reports
- Rules 6A-1.044(3)&(6)(c), F.A.C. . Pupil Attendance Records
- Rule 6A-1.04513, F.A.C. Maintaining Auditable FTE Records
- FTE General Instructions 2003-2004
- Comprehensive Management Information System: Automated Student Attendance Recordkeeping System

Regulatory Citations (Continued)

The accompanying notes are an integral part of this schedule.

SCHEDULE E (Continued)

Lafayette County District School Board
Florida Education Finance Program (FEFP)
FULL-TIME EQUIVALENT (FTE) STUDENTS
RECOMMENDATIONS AND REGULATORY CITATIONS

For the Fiscal Year Ended June 30, 2004

English for Speakers of Other Languages (ESOL)

- Section 1003.56, F.S.English Language Instruction for Limited English Proficient Students
- Section 1011.62(1)(g), F.S.Education for Speakers of Other Languages
- Rule 6A-6.0901, F.A.C.Definitions Which Apply to Programs for Limited English Proficient Students
- Rule 6A-6.0902, F.A.C.Requirements for Identification, Assessment, and Programmatic Assessment of Limited English Proficient Students
- Rule 6A-6.0904, F.A.C.Equal Access to Appropriate Programming for Limited English Proficient Students

Exceptional Education

- Section 1003.57(5), F.S.Exceptional Students Instruction
- Section 1011.62, F.S.Funds for Operation of Schools
- Section 1011.62(1)(e), F.S.Funding Model for Exceptional Student Education Programs
- Rule 6A-6.03028, F.A.C.Development of Individual Educational Plans for Exceptional Students
- Rule 6A-6.03029, F.A.C.Development of Family Support Plans for Children with Disabilities Ages Birth Through Five Years
- Rule 6A-6.0312, F.A.C.Course Modification for Exceptional Students
- Rule 6A-6.0331, F.A.C.Identification and Assignment of Exceptional Students to Special Programs
- Rule 6A-6.0334, F.A.C.Temporary Assignment of Transferring Exceptional Students
- Rule 6A-6.03411, F.A.C.Special Programs and Procedures for Exceptional Students

Vocational On-the-Job Funding Hours

- Rule 6A-6.055(3), F.A.C.Definitions of Terms in Vocational Education Program
- FTE General Instructions 2003-2004

Regulatory Citations (Continued)

Teacher Certification

The accompanying notes are an integral part of this schedule.

SCHEDULE E (Continued)

Lafayette County District School Board
Florida Education Finance Program (FEFP)
FULL-TIME EQUIVALENT (FTE) STUDENTS
RECOMMENDATIONS AND REGULATORY CITATIONS

For the Fiscal Year Ended June 30, 2004

- Section 1003.56, F.S. English Language Instruction for Limited English Proficient Students
- Section 1011.62(1)(g), F.S. Education For Speakers of Other Languages
- Section 1012.42(2), F.S. Teacher Teaching Out-of-Field; Notification Requirements
- Section 1012.55, F.S. Positions for Which Certificates Required
- Rule 6A-1.0502, F.A.C. Noncertificated Instructional Personnel
- Rule 6A-1.0503, F.A.C. Qualified Instructional Personnel
- Rule 6A-4.001, F.A.C. Instructional Personnel Certification
- Rule 6A-6.0521, F.A.C. Definitions and Requirements Which Apply to All Dropout Prevention Programs

The accompanying notes are an integral part of this schedule.

SCHEDULE F

Lafayette County District School Board
Florida Education Finance Program (FEFP)
FULL-TIME EQUIVALENT (FTE) STUDENTS
SUMMARY OF MANAGEMENT'S RESPONSE
For the Fiscal Year Ended June 30, 2004

Management agreed with our findings and recommendations.

A copy of management's response may be found on page 29 of this report.

The accompanying notes are an integral part of this schedule.

Lafayette County District School Board
Florida Education Finance Program (FEFP)
FULL-TIME EQUIVALENT (FTE) STUDENTS
NOTES TO SCHEDULES
For the Fiscal Year Ended June 30, 2004

NOTE A - SUMMARY

A summary discussion of the essential features of the Lafayette County District School Board, the Florida Education Finance Program (FEFP), full-time equivalent (FTE) students, and related areas follows:

1. Lafayette County District School Board

The Lafayette County District School Board was established pursuant to Section 1001.30, Florida Statutes, to provide public educational services for the residents of Lafayette County, Florida. Those services are provided primarily to students attending kindergarten through high school, but also to adults seeking vocational-type training. The District is part of the State system of public education under the general direction and control of the State Board of Education. The geographic boundaries of the District are those of Lafayette County. For the fiscal year ended June 30, 2004, the District operated three schools, reported 1,023.53 unweighted full-time equivalent (FTE) students, and received approximately \$3.9 million in State FEFP funding for those FTE. The primary sources of funding for the District are funds from the Florida Education Finance Program, local ad valorem taxes, and Federal grants and donations.

2. Florida Education Finance Program (FEFP)

Florida school districts receive State funding through the Florida Education Finance Program (FEFP), which was established by the Florida Legislature in 1973. It is the intent of the law "to guarantee to each student in the Florida public school system the availability of programs and services appropriate to his educational needs which are substantially equal to those available to any similar student notwithstanding geographic differences and varying local economic factors." To provide equalization of educational opportunity in Florida, the FEFP formula recognizes (1) varying local property tax bases, (2) varying program cost factors, (3) district cost differentials, and (4) differences in per student cost for equivalent educational programs due to sparsity and dispersion of student population.

Lafayette County District School Board
Florida Education Finance Program (FEFP)
FULL-TIME EQUIVALENT (FTE) STUDENTS
NOTES TO SCHEDULES
For the Fiscal Year Ended June 30, 2004

NOTE A - SUMMARY (Continued)

3. Full-Time Equivalent (FTE) Students

The funding provided by FEFP is based upon the numbers of individual students participating in particular educational programs. A numerical value is assigned to each student according to the student's hours and days of attendance in those programs. The individual student thus becomes equated to a numerical value known as an unweighted FTE (full-time equivalent) student. For example, for kindergarten through third grade, one FTE is defined as one student in membership in a program or a group of programs for 20 hours per week for 180 days; for grade levels four through twelve, one FTE is defined as one student in membership in a program or a group of programs for 25 hours per week for 180 days.

4. Calculation of FEFP Funds

The amount of State and local FEFP funds is calculated by the Department of Education by multiplying the number of unweighted full-time equivalent (FTE) students in each educational program by the specific cost factor of each program to obtain weighted FTEs. Weighted FTEs are multiplied by the base student allocation amount and that product is multiplied by the appropriate cost differential factor. Various adjustments are then added to this product to obtain the total State and local FEFP dollars. All cost factors, the base student allocation amount, cost differential factors, and various adjustment figures are established by the Florida Legislature.

5. FTE Surveys

FTE is determined and reported during the school year by means of four FTE membership surveys, which are conducted under the direction of district and school management. Each survey is a sampling of FTE membership for a period of one week. The surveys for the 2003-2004 school year were conducted during and for the following weeks: survey one was performed for July 14-18, 2003; survey two was performed for October 13-17, 2003; survey three was performed for February 2-6, 2004; and survey four was performed for June 14-18, 2004.

Lafayette County District School Board
 Florida Education Finance Program (FEFP)
FULL-TIME EQUIVALENT (FTE) STUDENTS
NOTES TO SCHEDULES
 For the Fiscal Year Ended June 30, 2004

NOTE A - SUMMARY (Continued)

6. Educational Programs

FEFP funds ten specific programs under which instruction may be provided as authorized by the Florida Legislature. The general program titles under which these specific programs fall are as follows: (1) Basic; (2) English for Speakers of Other Languages (ESOL); (3) Exceptional; and (4) Vocational (9-12).

7. Statutes and Rules

The following statutes and rules are of significance to the administration of Florida public education and the Florida Education Finance Program (FEFP):

- Chapter 1000, F.S. K-20 General Provisions
- Chapter 1001, F.S. K-20 Governance
- Chapter 1002, F.S. Student and Parental Rights and Educational Choices
- Chapter 1003, F.S. Public K-12 Education
- Chapter 1006, F.S. Support for Learning
- Chapter 1007, F.S. Articulation and Access
- Chapter 1010, F.S. Financial Matters
- Chapter 1011, F.S. Planning and Budgeting
- Chapter 1012, F.S. Personnel
- Chapter 6A-1, F.A.C. Finance and Administration
- Chapter 6A-3, F.A.C. Transportation
- Chapter 6A-4, F.A.C. Certification
- Chapter 6A-6, F.A.C. Special Programs I

NOTE B - SAMPLING

Our examination procedures provided for the selection of samples of schools, students, and teachers, using statistical and judgmental methods, for testing of FTE membership as reported to the Department of Education for the fiscal year ended June 30, 2004. Our sampling process was designed to facilitate the performance of appropriate examination procedures to test the District's compliance with applicable Florida Statutes and State Board of Education Administrative Rules.

Lafayette County District School Board
 Florida Education Finance Program (FEFP)
FULL-TIME EQUIVALENT (FTE) STUDENTS
NOTES TO SCHEDULES
 For the Fiscal Year Ended June 30, 2004

NOTE B - SAMPLING (Continued)

The following schools were in our sample:

<u>School Name/Description</u>	<u>Finding Number(s)</u>
Ineligible ESOL Course	1
1. Lafayette High School	2 through 7
2. Lafayette Elementary School	8 through 11



WILLIAM O. MONROE, CPA
AUDITOR GENERAL

AUDITOR GENERAL STATE OF FLORIDA

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111 West Madison Street
Tallahassee, Florida 32399-1450



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The President of the Senate, the Speaker of the
House of Representatives, and the
Legislative Auditing Committee

INDEPENDENT AUDITOR'S REPORT LAFAYETTE COUNTY DISTRICT SCHOOL BOARD FLORIDA EDUCATION FINANCE PROGRAM (FEFP) STUDENT TRANSPORTATION

We have examined management's assertion, included in its representation letter dated July 1, 2004, that the Lafayette County District School Board complied with the requirements of the Florida Education Finance Program (FEFP) regarding the determination and reporting of the number of students transported for the fiscal year ended June 30, 2004. These requirements are found in Chapters 1006 and 1011, Florida Statutes, and State Board of Education Rules, Chapter 6A-3, Florida Administrative Code. As discussed in the representation letter, management is responsible for the District's compliance with those statutes and rules. Our responsibility is to express an opinion on the District's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and the standards applicable to attestation engagements contained in *Government Auditing Standards* issued by the Comptroller General of the United States and, accordingly, included examining, on a test basis, evidence about the District's compliance with the aforementioned FEFP requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. The legal determination of the District's compliance with FEFP requirements is, however, ultimately the responsibility of the Department of Education.

In our opinion, the Lafayette County District School Board complied, in all material respects, with the aforementioned requirements of the Florida Education Finance Program (FEFP) regarding the determination and reporting of the number of students transported for the fiscal year ended June 30, 2004.

The results of our examination disclosed instances of noncompliance with the FEFP requirements mentioned above. We considered these instances of noncompliance in forming our opinion regarding management's assertion and these items did not affect our opinion as stated above. All of the instances of noncompliance disclosed by our examination procedures are discussed in SCHEDULE B. The impact of those instances of noncompliance on the District's reported number of transported students is presented in SCHEDULE A and SCHEDULE B.

This report is intended for the information of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the State Board of Education, the Department of Education, and the Lafayette County District School Board. Copies of this report are available pursuant to Section 11.45(4)(c), Florida Statutes, and its distribution is not limited.

Respectfully submitted,

A handwritten signature in cursive script that reads "William O. Monroe".

William O. Monroe, CPA
May 13, 2005

SCHEDULE A

Lafayette County District School Board
 Florida Education Finance Program (FEFP)
STUDENT TRANSPORTATION
POPULATIONS, SAMPLES, AND AUDIT ADJUSTMENTS
 For the Fiscal Year Ended June 30, 2004

<u>Description</u>	<u>Number of Vehicles</u>	<u>% of Pop.</u>	<u>No. of Students Transp.</u>	<u>% of Pop. (Sample)</u>
Population ¹	24	100.00%	1,280	100.00%
Sample ²	10	41.67%	50	3.91%
General Tests				
Students w/ Exceptions ³	-	-	-	-
Net Audit Adjustments	-	-	(4)	NA
Detailed Tests				
Students w/ Exceptions	-	-	2	(4.00%)
Net Audit Adjustments	-	-	(2)	NA

NA - *Not Applicable*

¹ *The population figures for students are the totals of the figures reported for each survey conducted for the fiscal year ended June 30, 2004. The District reported 1,280 students in the following ridership categories: 3 in PK Other and 1,277 in Two Miles or More. The District also reported operating a total of 24 buses. (IDEA stands for Individuals with Disabilities Education Act.)*

² *See NOTE B.*

³ *Our General Tests do not include the selection and testing of individual students; consequently, there are no test results presented above for General Tests/ Students with Exceptions.*

The accompanying notes are an integral part of this schedule.

SCHEDULE B

Lafayette County District School Board
Florida Education Finance Program (FEFP)
**STUDENT TRANSPORTATION
FINDINGS AND AUDIT ADJUSTMENTS**
For the Fiscal Year Ended June 30, 2004

Overview

The management of the Lafayette County District School Board is responsible for determining and reporting the number of students transported in compliance with requirements of the Florida Education Finance Program (FEFP). These requirements are found in Chapters 1006 and 1011, Florida Statutes, and State Board of Education Rules, Chapter 6A-3, Florida Administrative Code. In our opinion, the District complied, in all material respects, with the aforementioned requirements for the fiscal year ended June 30, 2004. The instances of noncompliance disclosed by our examination procedures, while not of material impact on the District's compliance, are nevertheless worthy of management's attention and action, as recommended on page 25.

**Students
Transported
Net Audit
Adjustment**

Findings

Our examination procedures included both general tests and detailed tests. For our general tests, we made inquiries concerning the District's transportation of students and reconciled the District's reported ridership totals for the fiscal year ended June 30, 2004, to the supporting records. Our general tests disclosed the instances of noncompliance discussed in finding no. 1. Our detailed tests of the specific ridership categories for students sampled from the July, October, February, and June surveys disclosed the instances of noncompliance discussed in finding nos. 2 and 3.

General Tests

1. [Ref. 51] Our reconciliation of the District's reported transportation data for the October and February surveys to the summaries of the supporting bus drivers' reports disclosed no exceptions. However, our reconciliation of the summaries to the individual bus drivers' reports for ten buses disclosed discrepancies involving the reported ridership for one of those buses. The net effect of these discrepancies was an overstatement of four students. We made the following audit adjustment:

February 2004 Survey

90 Days-in-Term

Two Miles or More

(4)

(4)

Net Audit Adjustments from General Tests

(4)

The accompanying notes are an integral part of this schedule.

SCHEDULE B (Continued)

Lafayette County District School Board
 Florida Education Finance Program (FEFP)
STUDENT TRANSPORTATION
FINDINGS AND AUDIT ADJUSTMENTS
 For the Fiscal Year Ended June 30, 2004

**Students
 Transported
 Audit
 Adjustment**

Findings

Detailed Tests

2. [Ref. 52] One student in the October survey was reported incorrectly in the Two Miles or More ridership category. The student lived less than two miles from school and was not eligible to be reported for FEFP transportation funding. We made the following audit adjustment:

October 2003 Survey

90 Days-in-Term

Two Miles or More

(1)

(1)

3. [Ref. 53] One student, who was reported in the Two Miles or More ridership category in the February survey, was not enrolled in school during that survey and should not have been reported with the survey's results. We made the following audit adjustment:

February 2004 Survey

90 Days-in-Term

Two Miles or More

(1)

(1)

Net Audit Adjustments from Detailed Tests

(2)

SCHEDULE C

Lafayette County District School Board
Florida Education Finance Program (FEFP)
STUDENT TRANSPORTATION
RECOMMENDATIONS AND REGULATORY CITATIONS
For the Fiscal Year Ended June 30, 2004

Recommendations

We recommend that management exercise more care and take corrective action, as appropriate, to ensure that: (1) the reported student ridership for each survey is in agreement with the supporting records; (2) students who are reported in the Two Miles or More ridership category live at least two miles from school; and (3) students who are reported for transportation funding are enrolled in school during the survey week.

The absence of statements in this report regarding practices and procedures followed by the District should not be construed as acceptance, approval, or endorsement of those practices and procedures. Additionally, the specific nature of this report does not limit or lessen the District's obligation to comply with all of the statutory and rule provisions governing the Florida Education Finance Program (FEFP).

Regulatory Citations

- Section 1006.21, F.S.Duties of District School Superintendent and District School Board regarding Transportation
- Section 1006.23, F.S.Hazardous Walking Conditions
- Section 1011.68, F.S.Funds for Student Transportation
- Rule 6A-3.001(3), F.A.C.Basic Principles for Transportation
- Student Transportation General Instructions

The accompanying notes are an integral part of this schedule.

SCHEDULE D

Lafayette County District School Board
Florida Education Finance Program (FEFP)
STUDENT TRANSPORTATION
SUMMARY OF MANAGEMENT'S RESPONSE
For the Fiscal Year Ended June 30, 2004

Management agreed with our findings and recommendations.

A copy of management's response may be found on page 29 of this report.

The accompanying notes are an integral part of this schedule.

Lafayette County District School Board
 Florida Education Finance Program (FEFP)
STUDENT TRANSPORTATION
NOTES TO SCHEDULES
 For the Fiscal Year Ended June 30, 2004

NOTE A - SUMMARY

A summary of the significant features of student transportation under the Florida Education Finance Program (FEFP) and applicable statutes and rules follows:

1. Student Eligibility

Any student who is transported by bus must meet one or more of the following conditions in order to be eligible for funding under FEFP: live two or more miles from school, be physically handicapped, be a Vocational or Exceptional student who is transported from one school center to another where appropriate programs are provided, or meet the criteria for hazardous walking specified in Section 1006.23(4), Florida Statutes.

2. Transportation in Lafayette County District School Board

For the fiscal year ended June 30, 2004, the District received approximately \$253 thousand in State FEFP transportation funding. The District’s transportation reporting by survey was as follows:

<u>Survey Period</u>	<u>No. of Vehicles</u>	<u>No. of Students</u>
July 2003	0	0
October 2003	12	636
February 2004	12	644
June 2004	<u>0</u>	<u>0</u>
Total	<u>24</u>	<u>1,280</u>

3. Statutes and Rules

The following statutes and rules are of significance to the administration of Florida public education and the Florida Education Finance Program (FEFP):

- Chapter 1000, F.S.K-20 General Provisions
- Chapter 1001, F.S.K-20 Governance
- Chapter 1002, F.S.Student and Parental Rights and Educational Choices
- Chapter 1003, F.S.Public K-12 Education
- Chapter 1006, F.S.Support for Learning

Lafayette County District School Board
Florida Education Finance Program (FEFP)
STUDENT TRANSPORTATION
NOTES TO SCHEDULES
For the Fiscal Year Ended June 30, 2004

NOTE A - SUMMARY (Continued)

- Chapter 1010, F.S. Financial Matters
- Chapter 1011, F.S. Planning and Budgeting
- Chapter 6A-1, F.A.C. Finance and Administration
- Chapter 6A-3, F.A.C. Transportation

NOTE B - SAMPLING

Our examination procedures provided for the selection of samples of buses and students, using statistical and judgmental methods, for testing of the transportation data reported to the Department of Education for the fiscal year ended June 30, 2004. Our sampling process was designed to facilitate the performance of appropriate examination procedures to test the District's compliance with applicable Florida Statutes and State Board of Education Administrative Rules.

MANAGEMENT'S RESPONSE



FREDRIC W. WARD
SUPERINTENDENT

Lafayette County School Board

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May 27, 2005

Mr. William O. Monroe, CPA
Auditor General
G74 Claude Pepper Building
111 West Madison Street
Tallahassee, Florida 32399

Dear Mr. Monroe:

I have received the draft copy of the report on the examination of FTE students and student transportation for Lafayette County School District for the fiscal year ended June 30, 2004. We agree with all findings.

I have met with the administrators in our district to discuss and correct those findings which relate to their area of expertise. The principals have met with the data entry staff and guidance counselors to correct areas regarding input of data into our system. Most of the errors were technical, rather than systemic, in nature.

If you have any further questions, please do not hesitate to contact me.

Sincerely,

Fredric W. Ward
Superintendent of Schools

ANDY HART
DISTRICT ONE

HENRY McCRAY
DISTRICT TWO

BOBBY KOON
DISTRICT THREE

CAROLYN S. LAND
DISTRICT FOUR

JOHNNY L. REID
DISTRICT FIVE

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